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INFOFLASH

A FACT SHEET ON WOMEN IN ONTARIO

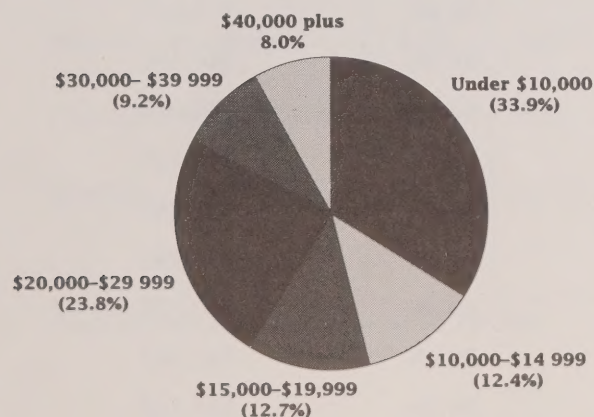
Introduction

One of the best-known economic facts about women is that they tend to be paid less than men. *Infoflash* #2, *Women in the Labour Force*, presents some of the differences between the work that women and men do. This fact sheet, *Infoflash* #3, shows the difference between the income women and men receive.

In an economy which uses money for most exchanges, the amount of income an individual or family has can determine the amount and quality of food, accommodation, transportation, education and other basics that can be had. Women and men have to purchase all these goods in the same market, so the fact that women generally have less money, means they can have less, or poorer quality, of all these items than men.

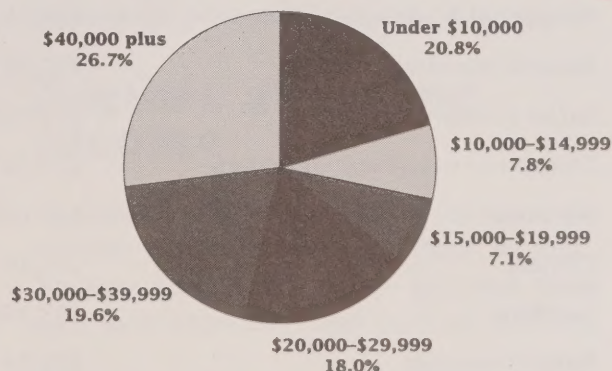
Although most Canadian women will spend at least part of their lives in a relationship of mutual support (see *Infoflash* #1, *Basic Facts*), they will also spend some time in their lives responsible for their own support, and perhaps for the support of others, including children, a partner, parent, relative or friend. Because women have a relatively lower income than men, people who depend on a woman's income will be relatively poorer.

Figure 1
Distribution of earnings for working females, Ontario, 1989



Statistics Canada, *Earnings of Men and Women*, 1989.

Figure 2
Distribution of earnings for working males, Ontario, 1989



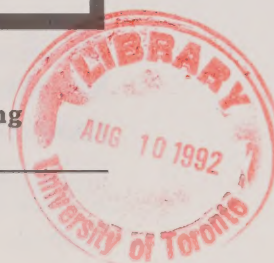
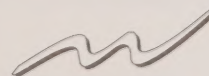
Statistics Canada, *Earnings of Men and Women*, 1989.



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Women's average income

The term wage gap is commonly used to describe the difference between the average earnings of women and men. This gap is sometimes expressed as a percentage, showing women's earnings as a percent of men's. For Ontario, in 1989, women earned on average 67.4% of men's earnings¹, which means that for every \$1.00 a man earned, a woman working the same length of time and number of hours earned only 67.4¢.

This translates into a huge difference in terms of real buying power [Figures 1 and 2]². Almost 2/3 of all working women, still make less than

\$20,000 each year, and only 8% make more than \$40,000. In contrast, just over 1/3 of men make under \$20,000, and 26.7%, or more than three times as many men as women, make over \$40,000.

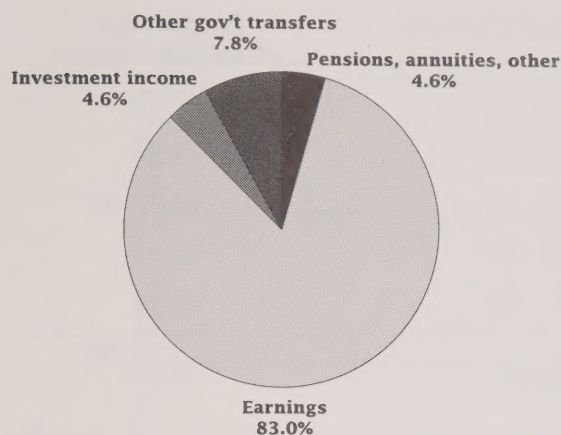
Wage gap figures are always based on the earnings for all women and men working full-time, year round, in all occupations. The wage gap does not exist simply because women and men work in occupations which are paid differently; it exists within occupations as well. There is a significant difference between average female and male earnings even within occupations [Figure 3]³. Women earn as much as 87% of men's earnings in art and recreation, and as little as 53.2% in service occupations.

Figure 3
Average earnings for women and men by occupation, full-year/full-time employees, Canada, 1989

Occupation	Female \$s	% of male	Male \$s
Service	\$15,418	53.2%	\$28,981
Medicine & health	\$27,309	55.9%	\$48,871
Fabrication assembly	\$19,046	59.5%	\$32,018
Processing	\$19,644	60.9%	\$32,273
Sales	\$20,588	60.8%	\$33,880
Managerial & administration	\$28,382	61.0%	\$46,490
Material handling	\$17,537	62.6%	\$28,020
Social sciences & religion	\$31,995	65.1%	\$49,110
Transport/ equipment operation	\$21,123	66.7%	\$31,688
Agriculture	\$12,680	69.3%	\$18,287
Clerical	\$21,144	69.9%	\$30,238
Teaching	\$33,168	78.1%	\$42,495
Natural sciences	\$34,744	80.5%	\$43,142
Art & recreation	\$27,024	87.0%	\$31,052

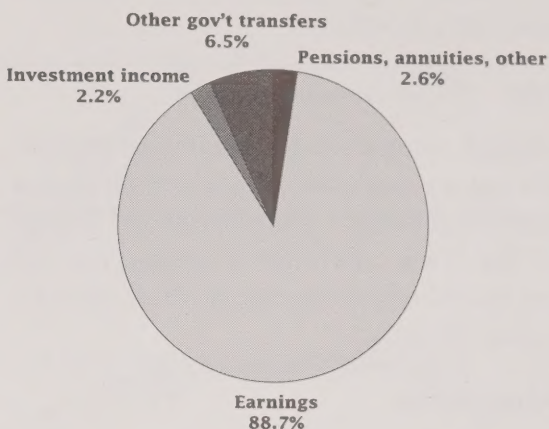
Statistics Canada, *Earnings of Men and Women, 1989*.

Figure 4
Composition of income, Canada, 1987, for
unattached females under age 65



Women in Canada, a Statistical Report, 2nd ed., Feb. 1990.

Figure 5
Composition of income, Canada, 1987, for
unattached males under age 65



Women in Canada, a Statistical Report, 2nd ed., Feb. 1990.

Figure 6
Composition of income, Canada, 1987, for
unattached females & males under age 65

	Females	Males
Investment income	4.6%	2.2%
Pensions, annuities	4.6%	2.6%
Other government transfers	7.8%	6.5%
Earnings	83.0%	88.6%

Women in Canada, a Statistical Report, 2nd ed., Feb. 1990.

Wages alone do not make up all of women's income. Other sources of income include pensions, insurance, government payments such as family allowances or social assistance, alimony or child support, and investment income [Figures 4-5-6]⁴. In every case, men's higher employment earnings are augmented by larger non-earnings income than women's, thus continuing the overall gap in earnings between the two sexes.

Factors affecting income

A number of personal factors influence the income received by individual women. Younger people tend to earn less than those with more experience and years of seniority,

better educated people earn more than people with less education, and so on. However, although different factors can increase a woman's earning power compared to other women, the wage gap between women and men tends to continue.

Age

Although women's average earnings increase with age, as men's do, women's earnings as a proportion of men's decline with age [Figure 7]⁵. The rate at which men's earnings increase with age far exceeds the rate at which women's earnings increase.

Education

Higher education will increase a woman's earning power, but a woman with a university education earns just slightly more than a man with some post-secondary training [Figure 8]⁶. Among older women, those with a university education earn less than all men, except men who did not finish high school. Women who did not complete high school and those who did, earn significantly less (\$10,000 each year or more) than men who did not complete high school.

Marital status

Marriage appears to improve men's income, while it reduces the earnings of women, even women who continue to work full-time, year round [Figure 9]⁷. Canadian figures for 1989 show that while single women earned only 1.2% less than single men, married women, working full time, earned only 59.3% of married men's earnings. As data are not collected on sexual orientation, we do not know if there is a connotation with income level.

Lone parents

Women's relatively low earnings mean that as single parents, women are the most likely to be poor [Figure 10]⁸. Eighty per cent of women who are single parents earn under \$30,000

Figure 7
Female earnings as a proportion of male earnings by age, Canada, 1989, for full-year/full-time workers

Age (female)	Proportion of male earnings
20 - 24	78.9%
25 - 34	72.8%
35 - 44	64.5%
45 - 54	60.0%
55 - 64	63.5%
Total	65.8%

Statistics Canada, *Earnings of Men and Women*, 1989.

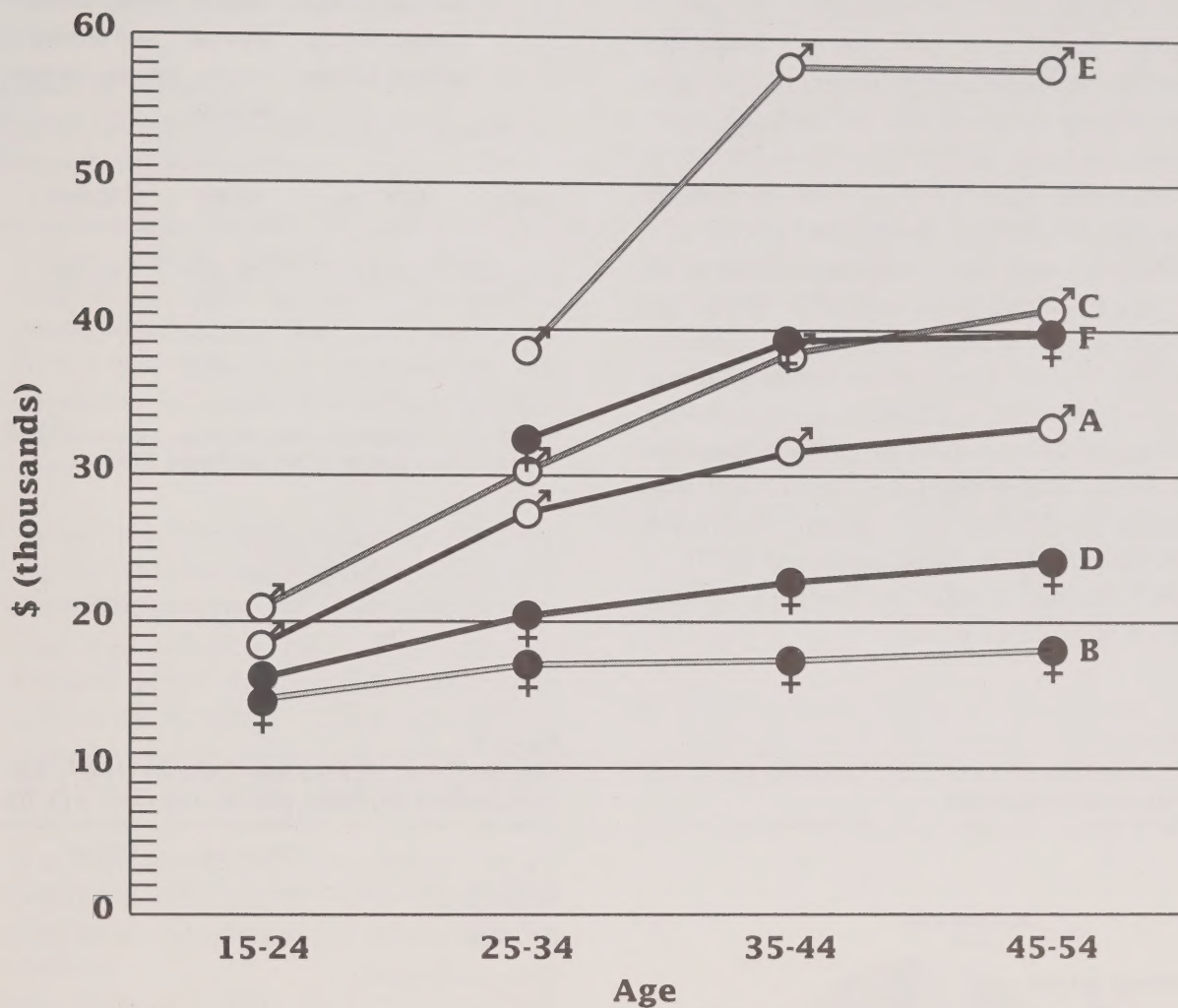
each year. In 1989, in Canada, the average total income (including earnings, government and support payments) for female lone parents was \$28,561. For male single parents, average income was \$37,273⁹.

Disability

Any woman can become disabled, temporarily or permanently, at any time in her life. Depending on the nature of the disability, it can have a great effect on a woman's ability to earn her own living. People who have major disabilities are entitled to pensions, but these generally allow for necessities only. Women with disabilities have a very low rate of participation in the labour force, and even for those in the labour force, their earnings are low. Women with disabilities had an average income of only \$7,700 in 1985, only 43% of the average income for men with disabilities.^{10 & 11}

Figure 8

Average earnings full-year / full-time by education, sex & age, Canada, 1989



A - Some secondary school - male
 B - Some secondary school - female
 C - Some post-secondary school - male

D - Some post-secondary school - female
 E - University graduate - male
 F - University graduate - female

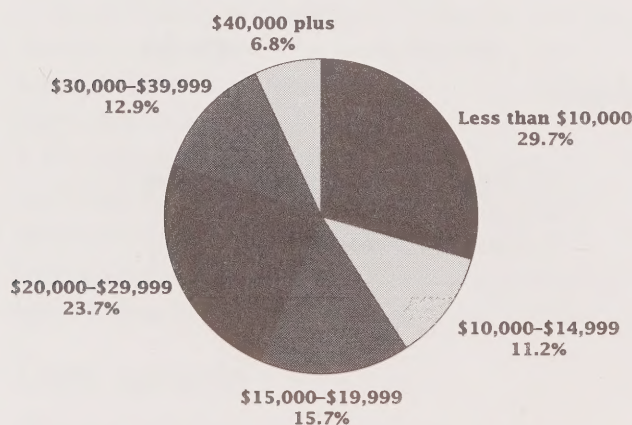
Statistics Canada, *Earnings of Men and Women, 1989*.

Old age

Age 65 is considered usual for retirement from the workforce. Although many women and men continue to work after this age, employers are allowed to require employees to retire or accept limited work after this age. Generally, pensions and government transfers make up an increasing share of the income for older women and men. In 1987 the average income for women over age 65 was \$13,596, the average for men, \$15,927, a difference of 15%.¹²

The total income of older men and women comes from different sources.¹³ While the government old age pension (OAS/GIS) payable to every person 65 and older makes up the bulk of women's and men's income, women rely to a greater extent on government payments, which make up nearly 1/2 of their total income [Figure 11].¹⁴ Private and government pensions and earned income, which make up 45.8% of men's income in older age, account for only 30.4% of women's income.

Figure 10
Distribution of earnings, Canada, 1989, for female lone-parents



Statistics Canada, *Earnings of Men and Women, 1989*.

Figure 9
Average earnings for women and men aged 35-44, Canada, 1989, by marital status

	Average earnings, women working full year, full time	Women's earnings as a % of men's	Average earnings, men working full year, full time
Single	\$30,526	98.8%	\$30,889
Married	\$24,535	59.3%	\$41,388

Statistics Canada, *Earnings of Men and Women, 1989*.

Figure 11
Composition of income, Canada, 1987, for unattached females and males over age 65

	Females	Males
Earnings	3.4%	8.9%
Other government transfers	6.4%	5.5%
CPP/QPP	13.1%	16.8%
Pensions, annuities,...	13.9%	20.1%
Investment income	22.9%	18.2%
OAS/GIS	40.3%	30.6%
Total income	100%	100%

Statistics Canada, *Earnings of Men and Women, 1989*.

Glossary

Income

Income is the money received by individuals during a time period. This publication looks at annual income, that is, income received in one year.

Types of income

Income can come from many different sources. The main categories are:

- Employment income, including wages, salaries, bonuses, commissions and tips.
Self-employment income is a type of employment income, but refers to income from employment for people who are not employees. It includes farm self-employment, babysitting, direct sales and professional practice such as law or medicine.

- Government transfer payments include support for older people, children, people with disabilities and people without other income.

Old Age Security Pension (OAS) and Guaranteed Income Supplement are pensions paid by the federal government to persons 65 years and older. A spouse's allowance is paid to people 60-64 years of age who are married to OAS recipients.

Social Assistance payments support people without income. Support is given as General Welfare Assistance and Family Benefits Assistance.

The Canada Pension Plan (CPP) pays a pension at age 65 to everyone who contributed to the plan while employed. CPP also pays disability pensions.

- Unemployment Insurance (UI) is available to people who have been employed and paid premiums for the required period of time before becoming unemployed. UI benefits are also available for people who must leave work due to illness, pregnancy, and to care for a newly born or adopted child.
- Retirement pensions and annuities are

private pensions which employees and employers have invested in to provide for income upon retirement.

- Other sources of income include support payments following divorce or separation, income from boarders and roomers, severance and strike pay, as well as interest paid on bonds, savings deposits, certificates and dividends.

Wage gap

This term is commonly used to describe the difference between the average earnings of men and women. This gap is usually expressed as a percentage, showing women's earnings as a percent of men's.

Labour force

The employed and the unemployed together make up the labour force. Unemployed people are those actively looking for paid work, whether or not they have previously been employed.

- ◆ All definitions except wage gap adapted from Statistics Canada Census, 1986.

INFOFLASH is a series of newsletters which focus on different aspects of women's lives in Ontario. Issues #1, #2 and #3 deal with *Basic Facts*, *Labour Force* and *Income*. Subsequent issues are planned to examine education, work and family, and other subjects.

Endnotes

1. Statistics Canada, *Earnings of Men and Women, 1989*, table 1, p.10.
2. Ibid, Table 2, pp. 24-29.
3. Ibid, Table 5, p. 34-35.
4. *Women in Canada, a Statistical Report*, 2nd edition, February 1990, Table 14, p. 118.
5. Statistics Canada, *Earnings of Men and Women, 1989*. Table 4, pp. 32-33.
6. Ibid, Table 10, p.43.
7. Ibid, Table 11, p. 44.
8. Ibid, Table 8, pp. 39-40.
9. Ibid, Table 8, pp. 39-40.
10. Statistics Canada, *The Health and Activity Limitation Survey, A Profile of the Disabled Population*.
11. Labour Canada, *Women in the Labour Force, 1986-87*, Cat. no L38-30/1987, Table II-9, p. 51.
12. *Women in Canada, a Statistical Report*, 2nd edition, February 1990, Table 14, p. 118.
13. Ibid, Table 14, p.11
14. Statistics Canada, *Earnings of Men and Women, 1989*, Table 2, pp. 24-29.

Women in Ontario, a 15-minute video, brings to life many of the statistics presented in the INFOFLASH series. It is available from:

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